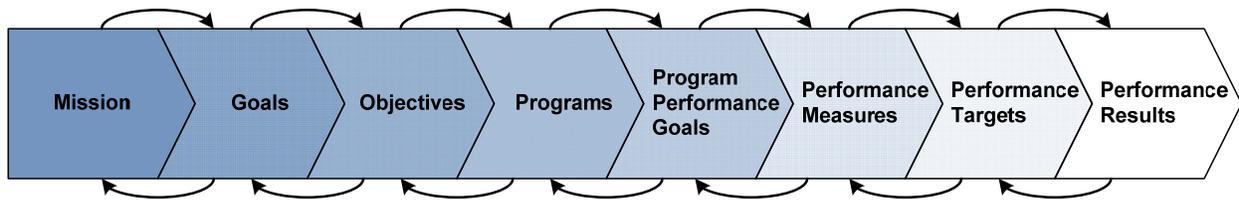


OVERVIEW OF PERFORMANCE FOR FY 2009

The Department's Strategic Planning Process

The Department's strategic planning process sets high expectations for America's schools, students and for the Department. It streamlines Department goals and measures while stressing continuity. This is the process by which we ensure successful performance and management outcomes.



Challenges Linking the Program Performance to Funding Expenditures

Linking performance results, expenditures and budget for Department programs is complicated because more than 99 percent of the Department's funding is disbursed through grants and loans in which only a portion of a given fiscal year's appropriation is available to state, school, organization or student recipients during the fiscal year in which the funds are appropriated. The remainder is available at or near the end of the appropriation year or in a subsequent year.

Funds for competitive grant programs are generally available when appropriations are passed by Congress. However, the processes required for conducting grant competitions often result in the award of grants near the end of the fiscal year with funding available to grantees for future fiscal years.

Therefore, program results cannot be attributed solely to the actions taken related to FY 2009 funds but to a combination of funds from across several fiscal years. Furthermore, the results of some education programs may not be apparent for several years after the funds are expended.

There are 81 key performance measures that support the Department's mission and strategic goals under its current *Strategic Plan*. Most data for FY 2009 will be available during FY 2010. These measures will be reported on in detail in the Department's *Annual Performance Report (APR)*, which will be submitted to Congress with the President's Budget Justification for FY 2011.

GOAL 1: Improve Student Achievement, With A Focus On Bringing All Students To Grade Level In Reading And Mathematics By 2014

Our Public Benefit

In education, the bottom line is student learning. The *Elementary and Secondary Education Act of 1965 (ESEA)* revolutionized federal support for elementary and secondary education by establishing a national commitment to bring all children up to grade level in reading and mathematics and holding schools, districts and states accountable for making annual progress toward that goal. The *ESEA* promotes effective action to turn around schools that consistently fail to educate their students to high standards and provides students enrolled in those schools better choices and options.

Because student achievement depends on the efforts of well-prepared teachers, the Department is working with state educational agencies to devise and implement appropriate strategies for ensuring that teachers become highly qualified.

Also, teaching and learning to high standards require that our nation's schools be safe and drug free. The Department promotes practices that create safe, secure and healthy school climates.

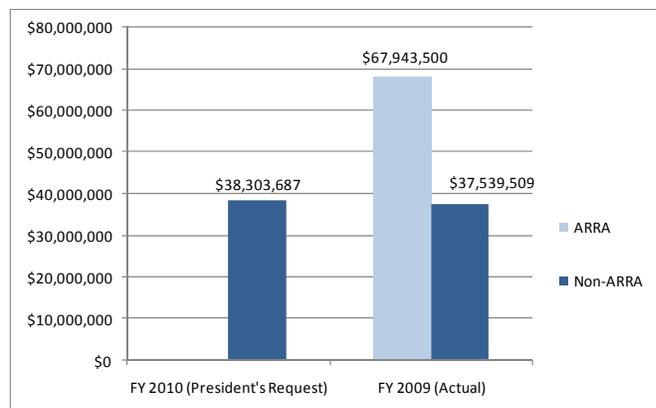
Parents are children's first and most important teachers. The Department promotes parental involvement in their children's schools, and encourages states and communities to provide information on additional options to parents.

The Department has developed the following objectives in support of Goal 1. Additionally, the Department has identified 37 key strategic performance measures for this goal.

Strategic Objectives:

- Improve student achievement in reading
- Improve student achievement in mathematics
- Improve teacher quality
- Promote safe, disciplined and drug-free learning environments
- Increase information and options for parents
- Increase high school completion rate
- Transform education into an evidence-based field

Goal 1 Resources (\$ in thousands)



Strategies that support the Department in meeting its strategic objectives for Goal 1 include:

- assisting states and school districts in turning around low performing schools;
- collecting and disseminating student information;
- assisting states to ensure that their teachers are highly qualified;

- encouraging districts to reform teacher compensation systems to reward their most effective teachers and to create incentives to attract their best teachers;
- identifying and disseminating information about the most effective practices that create a safe, disciplined and drug free school climate;
- supporting high-quality charter schools; and
- improving the high school completion rate.

GOAL 2: Increase the Academic Achievement of All High School Students

Our Public Benefit

To better equip our students to compete in the global economy, the Department encourages states to adopt high school course work and programs of study that prepare all students for a postsecondary credential and facilitate a seamless transition from high school to college or the workforce. The Department will continue to enhance and promote achievement in mathematics, science and critical foreign languages through incentives for teachers to teach advanced courses, thus providing opportunities for students to be well prepared for postsecondary education or the workforce following high school. The Department encourages increased access to, and participation in, Advanced Placement (AP) or International Baccalaureate (IB) classes by low-income and other disadvantaged students. To offer challenging courses, schools must have qualified teachers to teach them. The Department promotes efforts to increase the number of teachers who have the academic content knowledge needed to teach advanced classes.

The Department will pursue the following objectives in support of Goal 2. Additionally, the Department has identified 11 key strategic performance measures for this goal.

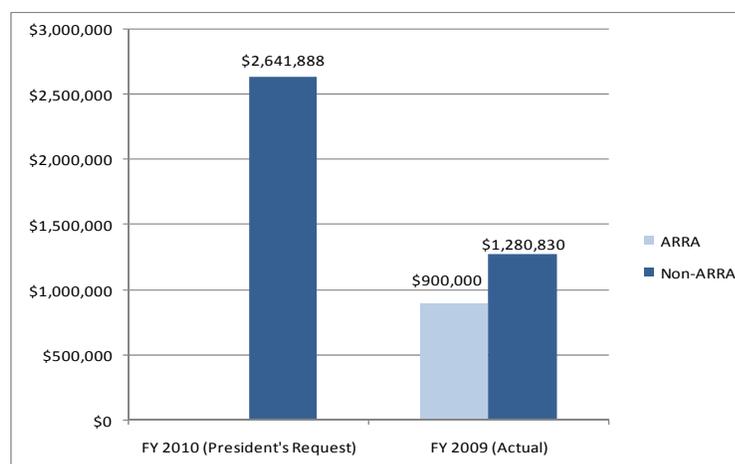
Strategic Objectives:

- Increase the proportion of high school students taking a rigorous curriculum
- Promote advanced proficiency in mathematics and science for all students
- Increase proficiency in critical foreign languages

Strategies that support the Department in achieving its objectives for Goal 2 include:

- increasing access to AP courses nationwide;
- increasing the number of teachers qualified to teach AP and IB classes; and
- supporting projects expanding offerings and participation in advanced mathematics and science classes.

**Goal 2 Resources
(\$ in thousands)**



GOAL 3: Ensure the Accessibility, Affordability and Accountability of Higher Education and Better Prepare Students and Adults for Employment and Future Learning

Our Public Benefit

America's institutions of higher education have long been engines of innovation, helping the nation to achieve a level of economic prosperity experienced by few other countries throughout history. The dynamics of rapid technological change over time have required greater levels of education to sustain the global competitiveness of the American economy. As a result, an increasing proportion of Americans have enrolled in and completed a program of postsecondary education in order to secure high-quality employment in competitive industries.

Financial aid must be made available to students in a more simplified manner and be more focused on students with the greatest financial need. Furthermore, adult education and vocational rehabilitation programs must provide increasingly effective services to improve the skills and employment prospects of those they serve.

The Department will pursue the following objectives in support of Goal 3. Additionally, the Department has identified 20 key strategic performance measures for this goal.

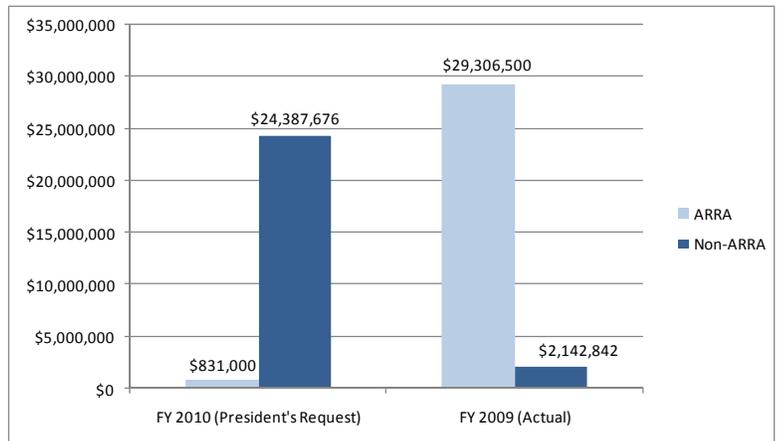
Strategic Objectives:

- Increase success in and completion of quality postsecondary education
- Deliver student financial aid to students and parents effectively and efficiently
- Prepare adult learners and individuals with disabilities for higher education, employment and productive lives

Strategies that support the objectives of Goal 3 include:

- maintaining high levels of college enrollment and persistence, while increasing the affordability of and accessibility to higher education through effective college preparation and grant, loan and campus-based aid programs;
- promoting and disseminating information regarding promising practices in community colleges;
- strengthening the accountability of postsecondary education institutions through accreditation, evaluation and monitoring;
- creating an efficient and integrated student financial aid delivery system;
- reducing the cost of administering federal student aid programs;

Goal 3 Resources (\$ in thousands)



- improving federal student aid products and services to provide better customer service; and
- strengthening technical assistance to state vocational rehabilitation agencies through improved use of data, dissemination of information and solidified partnerships.

Cross-Goal Strategy on Management

Our Public Benefit

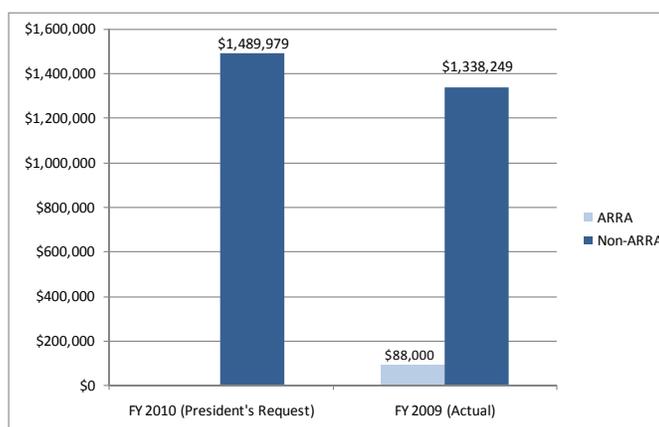
The Department carries out its mission and attains results for its goals through a commitment to excellent management practices. Through strong leadership, fiscal responsibility and strategic deployment of human capital, the Department ensures that all Americans have access to quality programs and benefit from successful outcomes.

The Department will pursue the following objectives in support of the cross-goal management strategy. Additionally, the Department has identified 13 key strategic performance measures for this goal.

Strategic Objectives:

- Maintain and strengthen financial integrity and management and internal controls
- Improve the strategic management of the Department's human capital
- Achieve budget and performance integration to link funding decisions to results

Cross-Goal Resources (\$ in thousands)



Strategies that support the achievement of this strategic objective include:

- implementing risk mitigation activities to strengthen internal control and the quality of information used by managers;
- improving formula and discretionary grant management processes;
- improving compliance with information security requirements;
- fostering leadership and accountability;
- improving the Department's hiring process;
- holding people and programs accountable for budget and performance integration;
- improving performance measurement and data collection; and
- using performance information to inform program management and performance.